CLAIM FORM AND RELEASE

VANESSA CASTRO and VERONICA FLORES, v. EMERITUS CORPORATION; SUMMERVILLE AT HARDEN RANCH, LLC doing business as EMERITUS AT HARDEN RANCH.

Monterey County Superior Court Case No. M118861

TO PARTICIPATE IN THE SETTLEMENT OF THE ABOVE-REFERENCED CASE, YOU MUST <u>COMPLETE</u>, <u>SIGN</u> AND <u>MAIL</u> THIS CLAIM FORM AND RELEASE BY FIRST CLASS U.S. MAIL OR EQUIVALENT, POSTAGE PAID, POSTMARKED ON OR BEFORE SEPTEMBER 7, 2013, ADDRESSED AS FOLLOWS:

CASTRO, ET AL. V. EMERITUS CORPORATION, ET AL. C/O SIMPLURIS, INC. P.O. BOX 26170 SANTA ANA, CA 92799 PHONE: (888) 654-1271



Name/Address Changes, if any:		
Telephone ()	

A. <u>Instructions</u>.

- 1. If you worked for Emeritus Corporation or Summerville at Harden Ranch, LLC dba Emeritus at Harden Ranch ("Defendants") as a nonexempt, hourly employee in California at any time during the period beginning March 3, 2007 and ending May 10, 2013 (the "Class Period"), you must complete, sign and timely mail this Claim Form and Release in order to be eligible to participate in the settlement.
- 2. If you move, please send the Settlement Administrator your new address. It is your responsibility to keep a current address on file with the Settlement Administrator.
- 3. Please do not send any supporting documentation at this time. If such documentation becomes necessary, a separate request will be sent to you directly.

B. <u>Claimant Information</u>.

Name (First, Middle, Last):		- Maria	,
Former Names (if any):	to kind on	284 15	
Residence Street Address:			
City, State and Zip Code:			
Social Security Number:			

C. Employment Information.

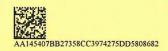
According to the records of Defendants, you were employed in the State of California as a nonexempt, hourly employee for a total of 105 workweeks between March 3, 2007 and May 10, 2013.

Based on these total workweeks, your share of the Net Settlement Amount is estimated to be approximately \$172.17. This number is subject to change, based on 1) the number of participating class members who submit claims, and 2) the terms of the Court's final approval order.

Do you agree with the total workweeks shown above?

5.7	27
Yes:	No:

Page 1 of 3
CLAIM FORM AND RELEASE



If "No," state the amount of the total workweeks you claim to have worked as a nonexempt, hourly employee:

NOTE: Defendants' records will control unless you are able to provide documentation which establishes that the Defendants' records are in error. If there is a dispute about whether the Defendants' information or yours is accurate, the court may be asked to resolve the dispute, and the court's decision will be final.

D. Release of Claims.

Upon the final approval of the settlement by the Court, by signing below, on behalf of myself and my heirs and administrators, I hereby fully release and forever discharge Defendants and their former and present parents, subsidiaries, affiliated corporations, officers, directors, employees, partners, agents, insurers, any individual or entity which could be jointly liable, and any other successors, assigns or legal representatives ("Releasees"), from any and all applicable California wage and hour claims, rights, demands, liabilities and causes of action of every nature and description, whether known or unknown, arising from the facts alleged in the Lawsuit against Defendants, including without limitation statutory, constitutional, contractual or common law claims for actual damages, penalties, liquidated damages, interest, attorneys' fees, litigation costs, restitution, equitable relief based on the following categories of wage and hour allegations and claims arising from: (a) any and all claims for alleged failure to compensate for reporting time and split shift pay; (b) any and all claims for failure to compensate employees for all time worked, including any failure to pay minimum wage or overtime pursuant to Labor Code §§ 204, 510, 1194, 1197, 1197.1 or 1198; (c) any and all claims for failure to provide meal and rest breaks pursuant to Labor Code §§ 226.7 and 512; (d) any and all claims for failure to provide accurate and timely wage statements pursuant to Labor Code §§ 226(e) and 226.3; (e) any and all claims for failure to maintain employee time records pursuant to Labor Code § 1174(d); (f) any and all claims for failure to pay wages during and after employment; (g) any and all claims for waiting time penalties pursuant to Labor Code §§ 201-203; (h) any and all claims for unfair competition pursuant to Business and Professions Code § 17200 et seq. for the underlying Labor Code violations set forth in the Lawsuit; (i) any and all claims for injunctive relief; (j) any and all claims for restitution; (k) any and all claims for statutory penalties for the alleged Labor Code violations including the California Private Attorneys' General Act of 2004, Labor Code § 2699 et seq.; (1) any and all claims for interest; and (m) any and all claims for attorneys' fees and costs (the "Released Claims").

Upon final approval by the Court and issuance of an order approving same, each class member who does not submit a timely and valid request for exclusion ("Settlement Class Members") releases and forever discharges the Releasees from the Released Claims. The Parties jointly request and reserve the Court's continuing jurisdiction over the construction, interpretation, implementation, and enforcement of the Settlement and the final approval order in accordance with their respective terms, and over the administration and distribution of the settlement funds.

Plaintiffs and each Settlement Class Member shall be deemed to have expressly waived and relinquished all rights and benefits of Section 1542 of the Civil Code of the State of California, and to have done so understanding and acknowledging the significance and consequence of specifically waiving Section 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

However:

The Parties expressly exclude from the scope of this release (except with respect to the named Plaintiffs, who waive all claims) any claims that Settlement Class Members have in connection with any individual actions or class actions involving claims other than the Released Claims.

E. Submission to the Jurisdiction of the Court.

I am submitting this Claim Form and Release under the terms of the settlement described in the Notice of Pendency of Class Action Settlement and Final Hearing that I received. I submit to the jurisdiction of the Monterey County Superior Court with respect to my claim as a class member for purposes of enforcing the release of claims set forth in the Stipulation of Settlement and this Claim Form. The full and precise terms of the settlement are contained in the Stipulation of Settlement filed with the court, which was available for my review. I acknowledge that I am bound by and subject to the terms of any order of dismissal or judgment that may be entered in this class action.

Page 2 of 3 CLAIM FORM AND RELEASE



I declare under penalty of perjury under the law of the State of California that the information in this Claim Form is true and correct, and that I have carefully read and agree to the releases and submission to jurisdiction as stated above.

TAXPAYER IDENTIFICATION NUMBER CERTIFICATION

Substitute IRS Form W-9		
Enter your Social Security Number:		
Under penalty of perjury, I certify that:		
1. The social security number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and		
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and		
3. I am a U.S. person (including a U.S. resident alien).		
Note: If you have been notified by the IRS that you are subject to backup withholding, you must cross out item 2 above. The IRS does not require your consent to any provision of this document other than this Form W-9 certification to avoid backup withholding.		
Dated:		
Claimant Signature		

Page 3 of 3 CLAIM FORM AND RELEASE



REQUEST FOR EXCLUSION

ONLY COMPLETE THIS REQUEST FOR EXCLUSION FORM IF YOU WANT TO OPT OUT OF (NOT PARTICIPATE IN) THE SETTLEMENT OF THE ACTION KNOWN AS VANESSA CASTRO and VERONICA FLORES v. EMERITUS CORPORATION; SUMMERVILLE AT HARDEN RANCH, LLC doing business as EMERITUS AT HARDEN RANCH, ET AL., MONTEREY COUNTY SUPERIOR COURT CASE NO. M118861. IF YOU OPT OUT OF THE SETTLEMENT, YOU WILL NOT RECEIVE ANY PORTION OF THE SETTLEMENT AMOUNT.

	Name/Address Changes, if any:
<u> </u>	
	Telephone ()
I confirm that I worked for Emeritus Corporation or Summerv Emeritus at Harden Ranch as a nonexempt, hourly employee is beginning March 3, 2007 and ending May 10, 2013. I do not wish to receive any payment under the terms of the otherwise participate in the proposed settlement.	n California for some or all of the time period
Date:	
Signature:	
Print Name:	
Residence Street Address:	
City, State and Zip Code:	

IN ORDER TO BE VALID, THIS REQUEST FOR EXCLUSION FORM MUST BE COMPLETED, SIGNED, MAILED BY FIRST CLASS MAIL, AND POSTMARKED ON OR BEFORE SEPTEMBER 7, 2013.

Send this signed request for exclusion form to the Claims Administrator:

Castro, et al. v. Emeritus Corporation, et al. c/o Simpluris, Inc. P.O. Box 26170 Santa Ana, CA 92799

> Page 1 of 1 REQUEST FOR EXCLUSION FORM



SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF MONTEREY

VANESSA CASTRO and VERONICA FLORES, Plaintiffs.

vs.

EMERITUS CORPORATION; SUMMERVILLE AT HARDEN RANCH, LLC doing business as EMERITUS AT HARDEN RANCH; and DOES 1 through 50, inclusive,

Defendants.

Case No.: M118861

NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT AND FINAL HEARING

YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A CLASS ACTION SETTLEMENT

A California court authorized this notice. This is not a solicitation from a lawyer.

- A settlement will provide up to \$2,195,000.00 to pay claims to current and former nonexempt, hourly employees of Emeritus Corporation and Summerville at Harden Ranch, LLC dba Emeritus at Harden Ranch ("Defendants"), who were employed in the State of California between March 3, 2007 and May 10, 2013.
- The settlement resolves a lawsuit alleging Defendants: 1) failed to pay all wages due to nonexempt, hourly employees, 2) failed to provide proper wage statements, 3) failed to timely pay wages, 4) failed to pay reporting time pay, 5) failed to provide split shift pay, 6) failed to maintain and provide accurate pay records, 7) failed to provide meal periods in compliance with California law, 8) failed to provide rest periods in compliance with California law, and 9) violated California's Private Attorneys' General Act ("PAGA") and Unfair Competition Law (the "Lawsuit"). It avoids costs and risks to you from continuing the Lawsuit; pays money to former and current employees; and releases Defendants from liability.
- The Court did not decide whether Defendants violated the law. The Court preliminarily approved the Lawsuit as a class action for settlement purposes only.
- Court-appointed lawyers for the employees will ask the Court to award up to \$731,666.67 as fees and expenses of \$3,500.00 for investigating the facts, litigating the case, and negotiating the settlement. This will be paid from the settlement fund.
- The two sides disagree on how much money could have been won if class members prevailed at trial. Defendants deny any liability or wrongdoing of any kind associated with the Lawsuit and maintain they complied at all times with the California Labor Code and all other laws, statutes, and orders alleged in the complaint.
- Your legal rights are affected whether you act or don't act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:		
Submit a Claim Form	You will share in the money distributed pursuant to the settlement and you give up any rights to sue Defendants separately about the same legal claims in this lawsuit.	
Request Exclusion	You will not share in the money distributed pursuant to the settlement and you retain the right to sue Defendants separately about the same legal claims in the lawsuit. If you request to be excluded, you may not object to the settlement.	
Object	If you believe the settlement is unfair or inadequate you may object in writing, personally or through an attorney. You may submit a claim form and object to the settlement.	
Go to a Hearing	Ask to speak in Court about the fairness of the settlement.	
Do Nothing	You will not share in the money distributed pursuant to the settlement and you give up any rights to sue Defendants separately about the same legal claims in the lawsuit.	

WHY DID YOU RECEIVE THIS NOTICE?

This notice explains a proposed settlement of a lawsuit, and informs you of your legal rights under that proposed settlement. You are receiving this notice because you may be a member of a class on whose behalf this class action lawsuit has been brought.

WHAT IS THIS LAWSUIT ABOUT?

On March 3, 2011, Plaintiffs Vanessa Castro and Veronica Flores filed the Lawsuit against Defendants in Monterey County Superior Court. The Lawsuit alleges Defendants failed to pay nonexempt, hourly employees for all earned wages and violated the California Labor Code, Industrial Welfare Commission Wage Orders, PAGA, and the California Business and Professions Code. The Lawsuit seeks to certify a class of current and former nonexempt, hourly employees in California. The Lawsuit alleges these employees were not timely paid all wages owed during and after employment, were not issued proper wage statements, were not compensated for reporting time pay, and were denied meal and rest periods. The Lawsuit seeks recovery of alleged unpaid wages, statutory and civil penalties, interest, attorneys' fees and costs. Defendants deny all of the material allegations in the Lawsuit.

SUMMARY OF THE SETTLEMENT

A. Why is there a Settlement?

The Court did not decide in favor of either party. By establishing the class and issuing this Notice, the Court is not suggesting either party would win or lose a trial in this case. Instead of a trial, the parties agreed to a settlement. That way, they avoid the costs, risks, and uncertainty of a trial, and the affected employees receive compensation. The Class Representatives and Class Counsel believe the settlement is fair, reasonable and adequate and is in the best interests of all Class members.

B. Who is in the Settlement Class?

The class includes all current or former nonexempt, hourly California employees of Defendants at any time from March 3, 2007 through May 10, 2013 who do not opt out of or exclude themselves from participation in the settlement.

C. What does the Settlement provide?

1. Maximum Settlement Amount.

Defendants will pay up to \$2,195,000.00 (the "Maximum Payment") to settle the Lawsuit. The following sums will be paid from the Maximum Payment: (1) Class Counsel's attorneys' fees in an amount approved by the Court not to exceed \$731,666.67 and Class Counsel's litigation costs in an amount approved by the Court not to exceed \$3,500.00; (2) service payments to each of the Class Representatives in an amount approved by the Court not to exceed \$5,000.00 each; (3) the Private Attorneys General Act ("PAGA") payments (as approved by the Court but not to exceed \$35,000.00 to the California Labor & Workforce Development Agency ("LWDA"), \$26,250.00 of which will be paid directly to the LWDA and \$8,750.00 to Plaintiffs); (4) the Defendants' share of payroll taxes on the portion of the settlement payments allocated to the payment of wages, and (4) a reasonable amount approved by the Court to the settlement administrator for administering the settlement, not to exceed \$69,500.00. The amount of the Maximum Payment remaining after these payments is the "Net Settlement Fund."

2. Individual Payment Amount.

Your share of the Net Settlement Fund will be determined by a formula which factors the number of weeks you worked for Defendants as a nonexempt, hourly employee in California between March 3, 2007 and May 10, 2013. The amount you can expect to receive if you submit a claim form and participate in the settlement is set forth on the attached claim form, although this number may change, subject to the number of claims submitted and the final ruling of the Court.

D. What are you giving up to get a payment or stay in the Class?

The settlement is intended to settle all claims against Defendants that class members who do not submit a valid and timely request for exclusion ("Settlement Class Members") asserted or could have asserted in the Lawsuit regarding the claims for failure to pay wages, failure to issue properly itemized wage statements, failure to timely pay wages during and after employment, failure to pay reporting time and split shift pay, and failure to provide legally compliant meal and rest periods. These include claims for wages, compensation, damages, penalties, interest, punitive damages, attorneys' fees, costs, expenses, restitution or injunctive relief. The release of claims, set forth below and on the attached Claim Form, describes the legal claims you will give up if you do not timely request exclusion from the Settlement.

RELEASE OF CLAIMS

As of the Effective Date of the settlement, Plaintiffs and Settlement Class Members hereby fully release and forever discharge Defendants and their former and present parents, subsidiaries, affiliated corporations, officers, directors, employees, partners, agents, insurers, any individual or entity which could be jointly liable, and any other successors, assigns or legal

representatives ("Releasees"), from any and all applicable California wage and hour claims, rights, demands, liabilities and causes of action of every nature and description, whether known or unknown, arising from the facts alleged in the Lawsuit against Defendants, including without limitation statutory, constitutional, contractual or common law claims for actual damages, penalties, liquidated damages, interest, attorneys' fees, litigation costs, restitution, equitable relief based on the following categories of wage and hour allegations and claims arising from: (a) any and all claims for alleged failure to compensate for reporting time and split shift pay; (b) any and all claims for failure to compensate employees for all time worked, including any failure to pay minimum wage or overtime pursuant to Labor Code §§ 204, 510, 1194, 1197, 1197.1 or 1198; (c) any and all claims for failure to provide meal and rest breaks pursuant to Labor Code §§ 226(e) and 226.3; (e) any and all claims for failure to maintain employee time records pursuant to Labor Code §§ 1720(e); (f) any and all claims for failure to pay wages during and after employment; (g) any and all claims for waiting time penalties pursuant to Labor Code §§ 201-203; (h) any and all claims for unfair competition pursuant to Business and Professions Code § 17200 et seq. for the underlying Labor Code violations set forth in the Lawsuit; (i) any and all claims for injunctive relief; (j) any and all claims for restitution; (k) any and all claims for statutory penalties for the alleged Labor Code violations including violation of the California's Private Attorneys' General Act of 2004, Labor Code § 2699 et seq.; (l) any and all claims for interest; and (m) any and all claims for attorneys' fees and costs (the "Released Claims").

Upon final approval by the Court and issuance of an order approving same, Plaintiffs and each Settlement Class Member releases and forever discharges the Releasees from the Released Claims. The Parties jointly request and reserve the Court's continuing jurisdiction over the construction, interpretation, implementation, and enforcement of the Settlement and the final approval order in accordance with their respective terms, and over the administration and distribution of the settlement funds.

Plaintiffs and each Settlement Class Member shall be deemed to have expressly waived and relinquished all rights and benefits of Section 1542 of the Civil Code of the State of California, and to have done so understanding and acknowledging the significance and consequence of specifically waiving Section 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

However:

The Parties expressly exclude from the scope of this release (except with respect to the named Plaintiffs, who waive all claims) any claims that Settlement Class Members have in connection with any individual actions or class actions involving claims other than the Released Claims.

THE SETTLEMENT HEARING

The Court will conduct a final fairness hearing regarding the proposed settlement (the "Final Approval Hearing") on September 27, 2013, at 9:00 a.m. in Department 14 of the Monterey County Superior Court, located at 1200 Aguajito Road, Monterey, CA 93940. The Court will determine: (i) whether the Lawsuit should be finally certified as a class action for settlement purposes; (ii) whether the settlement should be given the Court's final approval as fair, reasonable, adequate and in the best interests of the Settlement Class Members; (iii) whether the Settlement Class Members should be bound by the terms of the settlement; (iv) the amount of the attorneys' fees and expense award to Plaintiffs' Attorneys; and (v) the amount that should be awarded to Plaintiffs as service payments. At the Final Approval Hearing, the Court will hear all properly filed objections, as well as arguments for and against the proposed settlement. You have a right to attend this hearing, but you are not required to do so. You also have the right to hire an attorney to represent you, or to enter an appearance and represent yourself.

WHAT ARE YOUR OPTIONS?

OPTION 1 – MAIL THE ATTACHED CLAIM FORM

IF YOU WISH TO OBTAIN ANY SHARE OF THE SETTLEMENT THAT YOU MAY BE ENTITLED TO RECEIVE, THEN YOU MUST SUBMIT A TIMELY AND VALID CLAIM FORM. YOU ARE NEVER REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE. If you file a timely and valid Claim Form and the Court approves the proposed settlement, you will be mailed your share of the settlement amount. Your claim form must be postmarked on or before September 7, 2013. It must be sent via regular mail to: Castro, et al. v. Emeritus Corporation, et al. c/o Simpluris, Inc., P.O. Box 26170, Santa Ana, CA 92799 (the "Claims Administrator"). If you lose, misplace, or need another Claim Form, you may contact the Claims Administrator to obtain a new form.

• OPTION 2 – OBJECT TO THE SETTLEMENT

If you wish to remain a Settlement Class Member, but you object to the proposed settlement (or any of its terms) and wish the Court to consider your objection at the Final Approval Hearing, you may object to the proposed settlement in writing. You may also appear at the Final Approval Hearing, either in person or through an attorney at your own expense, provided you notify the Court of your intent to do so. All written objections, supporting papers, and/or notices of intent to appear at the Final Approval Hearing must (a) clearly identify the case name and number, (b) be submitted to the Court, either by mailing it to Clerk of the Court, Superior Court

of California, County of Monterey, 1200 Aguajito Road, Monterey, CA 93940, or by filing it in person at any location of the Superior Court, County of Monterey that includes a facility for civil filings, and (c) also be mailed to the Claims Administrator and the law firms identified below. Objections must be filed and served no later than September 7, 2013.

Plaintiffs' Attorneys
Charles Swanston, Esq.
B. James Fitzpatrick, Esq.
FITZPATRICK, SPINI & SWANSTON
838 South Main Street, Suite E
Salinas, CA 93901

Defendants' Attorneys
Mark S. Askanas, Esq.
Dylan B. Carp, Esq.
David T. Wang, Esq.
JACKSON LEWIS, LLP
50 California Street, 9th Floor
San Francisco, California 94111

IF YOU INTEND TO OBJECT TO THE SETTLEMENT, BUT WISH TO RECEIVE A SETTLEMENT PAYMENT, YOU MUST TIMELY FILE YOUR CLAIM FORM AS STATED ABOVE. IF THE COURT APPROVES THE SETTLEMENT DESPITE ANY OBJECTIONS, AND YOU DO NOT HAVE A TIMELY AND VALID CLAIM FORM ON FILE, YOU WILL NOT RECEIVE A SETTLEMENT PAYMENT.

• OPTION 3 – EXCLUDE YOURSELF FROM THE SETTLEMENT

You have a right to exclude yourself ("opt out") from the Settlement Class, but if you choose to do so, you will not receive any benefits from the proposed settlement. You will not be bound by a judgment in this case and you will have the right to file your own Lawsuit against Defendants and pursue your own claims in a separate suit. You can opt out of the Class by completely filling out and timely mailing the enclosed Exclusion Form to the Claims Administrator at the above-stated address, such that it is postmarked no later than September 7, 2013.

DO NOT SUBMIT BOTH THE CLAIM FORM AND A REQUEST FOR EXCLUSION. IF YOU SUBMIT BOTH, THE REQUEST FOR EXCLUSION WILL BE INVALID, YOU WILL BE INCLUDED IN THE SETTLEMENT CLASS, AND YOU WILL BE BOUND BY THE TERMS OF THE SETTLEMENT.

• OPTION 4 – DO NOTHING

If you do not file a Claim Form (Option 1), object to the Settlement (Option 2), or exclude yourself from the settlement (Option 3), then by default you will remain a Settlement Class Member, give up your right to sue Defendants separately about the same legal claims in the Lawsuit, and be bound by the Court's judgment in this case; however, you will not receive any money from this settlement because you did not file a timely and valid Claim Form.

ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

The above is a summary of the basic terms of the settlement. For the precise terms and conditions of the settlement, you should review the detailed "Stipulation of Settlement and Release" which is on file with the Clerk of the Court. The pleadings and other records in the Lawsuit may be examined at any time during regular business hours at the Office of the Clerk of the Monterey County Superior Court, 1200 Aguajito Road, Monterey, CA 93940.

ANY INQUIRIES REGARDING THIS LITIGATION MAY BE DIRECTED TO PLAINTIFFS' ATTORNEYS, DEFENDANTS' ATTORNEYS, OR THE CLAIMS ADMINISTRATOR: SIMPLURIS INC. (888) 654-1271.

BY ORDER OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA